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USDA RURAL DEVELOPMENT ANNOUNCES FUNDING FOR RIO GRANDE VALLEY SUGAR GROWERS, INC.

SANTA ROSA, TEXAS, October 20, 2005—USDA Rural Development State Director, Bryan Daniel, today announced Rio Grande Valley Sugar Growers, Inc. received a \$100,000 Value Added Producer Grant to develop a feasibility study, marketing plan, and legal documentation for the Boiler Expansion and Renewable Energy Project. The project consists of improvements to the Rio Grande Valley Sugar Grower's Cane Sugar Mill to convert sugarcane stalk waste product into a value added energy source. The improvements will result in a reduction of air pollutant emissions, promote renewable energy sources, and improve the efficiency of the plant. To highlight this event, a ceremonial check will be presented to Steve Bearden, President, and Sam Sparks, Board Chairman, Rio Grande Valley Sugar Growers, Inc.

"USDA Rural Development promotes efforts to bring together agricultural producers and rural businesses to spur the development of renewable energy options, part of President Bush's comprehensive national energy policy" said Daniel.

Since 2001 the Bush Administration has committed over \$115 million to support value-added agricultural investments, including over 110 energy related projects. Value-Added Producer Grants may be used for planning activities, such as feasibility studies or business plans, or to provide working capital for marketing value-added agricultural products and for farm-based renewable energy projects. Eligible applicants are independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority-controlled producer-based business ventures.

USDA Rural Development strives to ensure that rural citizens can participate fully in the global economy by providing technical assistance, funding, and other programs that help rural Americans build strong economies to improve their quality of life. For further information regarding USDA Rural Development programs, call the Edinburg local office at 956-383-4928 or visit us on the web at http://www.rurdev.usda.gov/tx/.

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